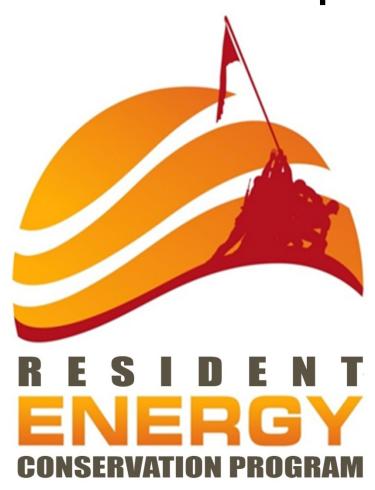


Marine Corps Base Camp Pendleton





Resident Energy Conservation Program (RECP) Brief for Hunt Military Housing Residents



Purpose



Provide Housing Residents with information on the Resident Energy Conservation Program (RECP) and timeline for implementation aboard Marine Corps Base Camp Pendleton.



Background



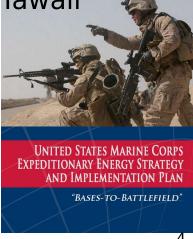
- Office of the Secretary of Defense Memorandum of 8 September 1998 set policy for the payment of utilities in Public Private Venture (PPV) family housing.
 - Allows payment by resident for excess utilities utilization
 - PPV operating agreement includes this provision
 - Army started in 2003; Air Force in 2006



Background



- HQMC approved implementation of the Resident Energy Conservation Program (RECP) at all PPV Projects - January 2012
 - RECP goals are consistent with DoD, DoN and USMC conservation principles
 - RECP Pilot Program has been running since Sep 2010
 - Conducted at MCB Hawaii, MCRD Parris Island, and MCAS Beaufort from Sep 2010 to date
 - Navy conducted parallel pilot program in Hawaii
 - RECP Concept was Proven Successful
 - Electric Use & Costs dropped about 9%
 - Concept was proven and refined





Resident Energy Conservation



- RECP reduces electric costs, and saves funds for sustainment and improvements.
 - Cost savings generated by RECP will be used to improve homes, playgrounds, community centers, and quality of life
 - Helps protect our \$2B investment in new housing and communities
- Basic Allowance for Housing (BAH) is only expected to cover "normal" utilities use/costs, not excess.
 - Military Housing has traditionally used excess utilities
 - Most Families live off base and pay full utilities
 - 12% of Camp Pendleton BAH is allocated for utility usage (electric, gas, water, sewer, and trash)



Resident Energy Conservation Program (RECP)



	3 BAH Component Breakdown unded to the nearest 1 percent)	Rent (Avg. % of total BAH	Utilities (Avg. % of total BAH	Insurance (Avg. % of total BAH
MHA	MHA Name	rate)	rate)	rate)
Arizona	Macauta and a second			
AZ013	PHOENIX, AZ	78%	21%	1%
AZ014	FORT HUACHUCA, AZ	77%	22%	1%
AZ015	DAVIS-MONTHAN AFB, AZ	78%	20%	1%
AZ016	YUMA, AZ	74%	24%	1%
Californ	nia	5.00		
CA018	OAKLAND, CA	90%	9%	1%
CA019	SAN FRANCISCO, CA	91%	8%	1%
CA021	CHINA LAKE NAVWEPCEN, CA	77%	21%	2%
CA022	FRESNO, CA	78%	21%	2%
CA023	LEMOORE NAS, CA	77%	21%	1%
CA024	CAMP PENDLETON, CA	88%	12%	1%
CA025	VENTURA, CA	89%	10%	1%
CA026	VANDENBERG AFB, CA	86%	13%	1%
CA027	MARIN/SONOMA, CA	87%	12%	1%
CA028	BARSTOW/FORT IRWIN, CA	77%	21%	2%



Resident Energy Conservation Program (RECP)



- RECP will encourage energy conservation
 - Residents using less energy <u>will be rewarded</u> with cash / credit
 - Residents using more energy will be billed for only the excess
 - Each Family can influence their own destiny





"Cost Savings = Improvements"







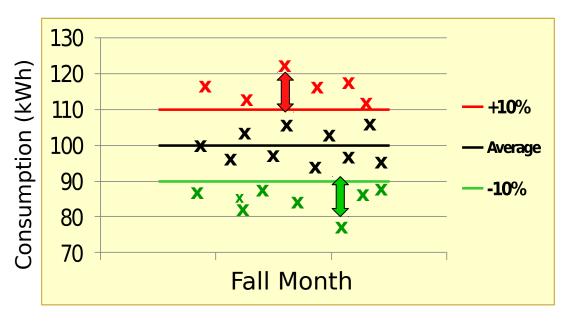


- Establish Housing Types
 - Based on location, size, style, age, and number of bedrooms
- Electric Metering
 - Hunt Properties (Deluz) are 100% metered
 - Lincoln Properties are 100% metered
- Calculate Average Usage for each Type each Month
 - Top/bottom 5% not considered in average
- Establish Average Range
 - Residents within +/- 10% of average have no cost impact
 - Residents outside range will get a refund or be billed for only excess not total





Notional / Example Monthly Electric Usage



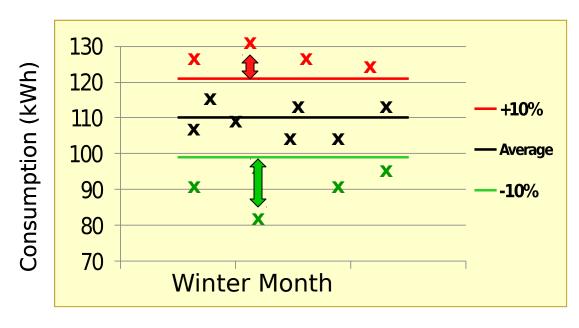
Example Individual Resident Impacts

- x Bill for use over 110 kWh
- x No Credit and No Bill from 90 kWh to 110 kWh
- x Credit for use under 90 kWh





Notional / Example Monthly Electric Usage



Example Individual Resident Impacts

- **x** Bill for use over 121 kWh
- x No Credit and No Bill from 99 kWh to 121 kWh
- x Credit for use under 99 kWh





- Exemptions:
 - For some Wounded Warriors and Exceptional Family Members
 - Not part of program
- RECP will be implemented in two phases starting Calendar Year 2013
 - Phase I Housing Areas:
 - Deluz, Del Mar, San Mateo Point, San Onofre I/II/III, South Mesa I, Stuart Mesa II, Wire Mountain I/II and San Luis Rey
 - Phase II Housing Areas:
 - Del Mar (Koepler St), Forster Hills, O'Neill Heights, Pacific View, Santa Margarita, Serra Mesa, South Mesa II, Stuart Mesa, Wire Mountain III, and 14th Street





- Timelines are projected and subject to change
- Before live billing begins:
 - Establish like-type housing groups
 - May June 2012
 - RECP Leadership briefs
 - July October 2012
 - CG MCIWEST-MCB CPEN Notification Letters and Program Information to Residents
 - September 2012
 - Publish Articles in Base Papers / Newsletters / Website
 - http://www.pendleton.marines.mil/Family/FamilyHousing/ResidentEnergyConservationProgram.aspx
 - October 2012
 - Updated July 2013





- -PPV Partner Send Notification Letters to Residents
 - Phase I: October 2012
 - Phase II: July 2013
- -Town Hall Meetings / Energy Forums
 - Phase I: October 2012 December 2012
 - Phase II: July 2013 May 2014
- -Execute Lease Modifications
 - Phase I: September December 2012
 - Phase II: January December 2013



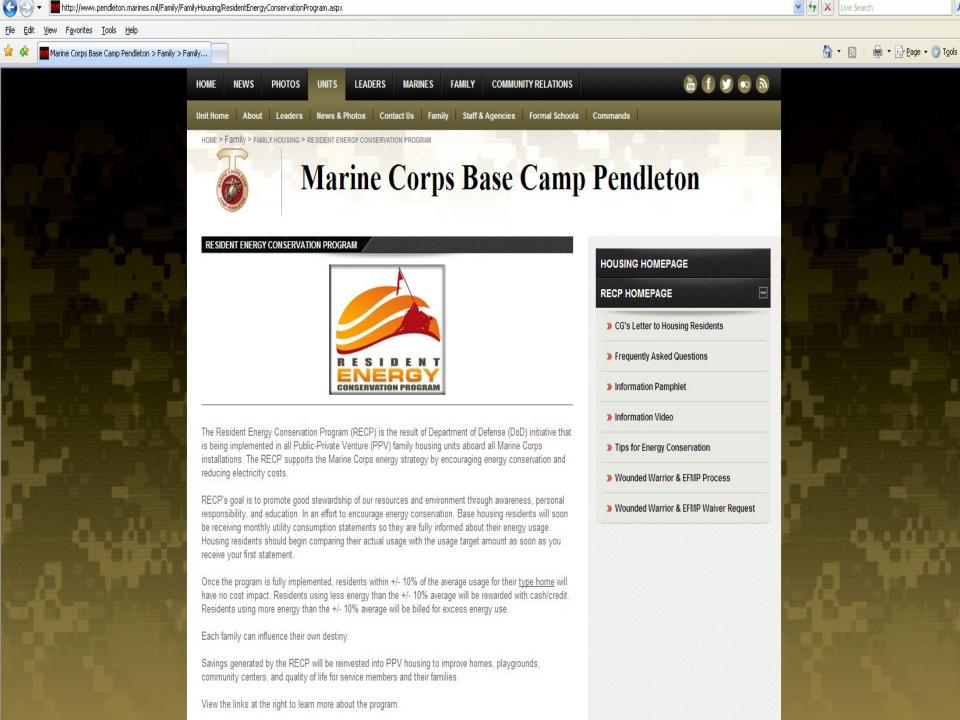


- PPV Partner sends 3-Month Mock Billing Notification Letters
 - Phase I: December 2012
 - Phase II: November 2013
- -PPV Partner sends Live Billing Notification Letters
 - Phase I: March 2013
 - Phase II: February 2013
- -Start Live Billing
 - Phase I: 1 April 2013
 - Phase II: 1 March 2013





- Government, PPV Partners and Third Party Vender monitor program
 - December 2012 December 2014
- RECP Expectations:
 - Electricity use will drop 12-15%, saving \$2M per year
 - Savings will be used for family housing improvements
 - Most families will NOT be billed for utilities





Resident Energy Conservation Program Resident Briefing















Recover



Agenda

- Introduction
- Program Overview
 - Profiles
 - Baseline Calculation
 - Utility Billing Process
- Conservation
- Questions & Answers





Corporate Overview

- Founded in 1952, Minol is the third largest Billing, Energy Management, Sub-Metering and Product Solution providers with 2,500 employees and 32 offices worldwide.
- Leading provider of utility metering and billing services for electric, gas and water for residential and commercial properties, as well as military housing communities.
- Worldwide utility meter distributor and manufacturer
- Our global team produces more than 5.4 million bills annually.



Purpose of Program

 OSD policy dated September 8, 1998 mandates payment of utilities in privatized housing and strive to achieve energy efficiency in homes.

 Conservation decrease the national dependence of foreign oil and conforms to our national policies.

 Savings in energy costs will go to residents by providing improved housing and ancillary facilities.



How Does It Work?

- The Resident Energy Conservation Program (RECP) is designed to set reasonable utility allowance targets for normal utility consumption in privatized housing.
- A "mock billing" period will occur in which information will be provided to residents, showing consumption compared to the average for the home.
 During "mock billing", residents are not responsible for
- During "mock billing", residents are not responsible for overages or qualify for rebates.
- After "mock billing" ends, residents will receive Live invoices and will be responsible to pay for usages above the average allowance. If the usage is less than the allowance, residents will begin accruing credit for refunds.
- A rebate check will be issued once accrual meets or exceeds \$25. However, residents may choose to accrue the rebate and apply any credit amount for future payments.



Billing Process

Monthly Billing Cycle



Resident Services & Tools



Baseline Average

- To determine the baseline calculation:
 - Remove zero usage
 - Remove unoccupied homes
 - Remove partial billing periods (move in & move out)
 - Calculate current average consumption
- The average is considered the baseline per profile
- The baseline is a rolling average, changing each month.





Overview

- Minol will mail a monthly statement reflecting resident energy usage.
- Statement will reflect applied utility average.
- The statement will show the difference between the average (baseline) and the resident consumption

Use less than baseline = CREDIT
Use more than baseline = CHARGE

Action Trigger = \$25.00

If Credit or Charge is within \$25

= NO ACTION (bill or rebate accrues)



Statements

Resident will receive one of three statements:

Payable Due Statement (Payment Coupon)

Utility Charge is greater than Baseline and greater than \$25 trigger



Utility Charge is less than Baseline and greater than \$25 trigger

✓ No Action Statement

Difference between the Utility charge and Utility allowance is within the \$25 Trigger



Payable Action Statement



Account Number: 1234-123-123456-00

Billing Date **Balance Due Payment Due Date Amount Due If Late** 05/24/2012 \$51 29 06/14/2012 \$51.29

\$0.00

\$340.29

\$289.00

\$51.29

\$340.20

\$340.29

Amount

\$340.29

Current Charges

Amount Enclosed

Your New Statement Last Month

Previous Balance Forward

Charges This Month

Utility Allowance*

New Balance

DO NOT PAY

Minol USA 15280 ADDISON ROAD SUITE 100

This Month -Billing Date 05/24/2012 Current Charges

1.693.00

Total ELECTRICITY charges

0.201000



Account Num Customer Nar

Neighborhood Service Addr:

Meter Read Detail

Electricity Service From 4/1/12 to 5/1/12

				3-	
	Pagin Page	EndRead	This	Last Month	Last
MeterID	BeginRead	Endread	Month	Month	Year
201371540460552701310	23,883.00	25,576.00	1,693.00		
		Total Usage	1,693.00		

Usage

MESSAGES:

This is your current energy conservation statement. This is not a bill. This statement shows your electric consumption in comparison to like homes in your neighborhood. Water usage is informational only.

Access your account on-line at www.minolusa.com

For Customer Service Call: 1-888-636-0493 (Mon - Fri 7am - 10pm CST)

OHN SMITH 2456 00 Statement Conservation \$0.00 \$0.00 2012 \$340.29 \$0.00 \$340.29 ELECTRICITY Service From 4/1/12 to 5/1/12 Charge Description \$289.00 \$51.29 Other Transactions posted this period Total Adjustments, Taxes & fees Apr-12 \$0.00 \$0.00 \$0.00 Electricity Service From 4/1/12 to 5/1/12 your account on-line at www.minolusa.com Customer Service Call: 1-888-636-0493 (Mon - Fri 7am - 10pm CST)

This is your current energy conservation statement. This is not a bill. This statement shows your electric consumption in comparison to like homes in your neighborhood. Water usage is informational only.

Charges This Month

Meter Read Detail

Water Service for Reference and Conservation tracking only

Water Consumption (For REF. only)

Meter Read Detail

10.214.00 10.801.00



Rebate Due Statement



05/24/2012 1234-123-123456-00

\$ 116.14



05/24/2012 1234-123-123456-00

\$ 116.14

****** ONE HUNDRED SIXTEEN AND 14 / 100 DOLLARS *************

JOHN SMITH ADDRESS BASE NAME, STATE ZIP

THIS IS A DEMONSTRATION BILL - REBATE NON NEGOTIABLE

THIS IS A DEMONSTRATION BILL - REBATE NON NEGOTIABLE onservation Your New Statement Last Month Previous Balance Payments ement Previous Balance Forward \$0.00 This Month -Billing Date 05/24/2012 \$172.86 \$0.00 Current Charges Adjustments & Fees Charges This Month \$172.86 Utility Allowance*: \$289.00 New Balance \$0.00 ELECTRICITY Service From 4/1/12 to 5/1/12 **Current Charges** Charge Description Billable Usage Rate 860.00 0.201000 Amount Electricity Per kWh Total ELECTRICITY charges

Other Transactions posted this period

-

Monthly Usage Summary

Description	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12
Previous Balance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Payments	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Balance Forward	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Your EL Charge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$172.86
Other Transactions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Charges This Month	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$172.86
Utility Allowance*	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$289.00
New Balance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Rebate Issued	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$116.14

Access your account on-line at www.minolusa.com For Customer Service Call: 1-888-636-0493 (Mon - Fri 7am - 10pm CST) Charges This Month \$172.86

Amount

Meter Read Detail

Total Adjustments, Taxes & fees

IESSAGES:

This is your current energy conservation statement. This is not a bill. This statement shows your electric consumption in comparison to like homes in your neighborhood. Water usage is informational only.

Water Service for Reference and Conservation tracking only

Water usage data is not available for you home



No Action Statement



Dear Resident: No payment is due at this time. A Payment is due only when your halance exceeds \$ 50.00

Account Number: 1234-123-123456-00

Billing Date Balance Due **Payment Due Date** Amount Due If Late 01/23/2012 \$0.00 02/13/2012 \$0.00

\$0.00

\$140.72

\$186.00

\$-45.28

Amount

\$34.84

Amount

Amount

\$20.20

\$20.20

\$140.72

\$85,68 \$85.68

Amount Enclosed

DO NOT PAY



15280 ADDISON ROAD SUITE 100 ADDISON TX 75001-4503

Dear Resident: No payment is due at this time. A Payment is due only when

JOHN SMITH **ADDRESS** BASE NAME, STATE ZIP

Your New Statement		2
Last Month Previous Balance Payments		\$0.00 \$0.00
Previous Balance Forward		\$0.00
This Month -Billing Date Current Charges Adjustments & Fees	01/23/2012	\$120.52 \$20.20
Charges This Month		\$140.72
Utility Allowance*:		\$186.00
New Balance		\$-45.28

Electricity & Gas Statement Your New Statement Last Month Previous Balance Forward 23456-00 This Month -Billing Date 01/23/2012 Current Charges Adjustments & Fees NEIGHBORHOOD **Charges This Month** Utility Allowance*: **New Balance** ELECTRICITY Service From 11/14/11 to 12/14/1 Current Charges Consumption Charge Description Total ELECTRICITY charges GAS Service From 11/14/11 to 12/14/11 Billable Usage Rate 119.00 0.720000 **Charge Description** 119.00 0.720000 Total GAS charges Other Transactions posted this period Gas Customer Chro Total Adjustments, Taxes & fees Charges This Month Electricity Service From 11/14/11 to 12/14/11 Gas Service From 11/14/11 to 12/14/11

MESSAGES:

Gas Ameren Rates: Gas charge is comprised of the following: Delivery Charge, Gas Env Charge, GER Rider, Gas Supply Charge & Taxes Electric Ameren Rates: Electric charge is comprised of the following: Distribution Charge, Env Charge, GER Rider, Purchase Charge, PER Rider Supply Cost,

> For Customer Service Call: 1-888-636-0493 (Mon - Fri 7am - 7pm CST) Access your account on-line at www.minolusa.com

Mon	thly Usage Sum	
Descr	iption	Nov-10
		_

Monthly Usage Sumn	nary												
Description	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11
Previous Balance	\$0.00	\$0.00	\$92.97	\$23.79	\$33.38	\$-39.32	\$-147.36	\$-199.78	\$-265.17	\$-337.95	\$-420.30	\$-518.10	\$0.00
Payments	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Balance Forward	\$0.00	\$0.00	\$92.97	\$23.79	\$33.38	\$-39.32	\$-147.36	\$-199.78	\$-265.17	\$-337.95	\$-420.30	\$-518.10	\$0.00
Your EL Charge	\$30.75	\$43.31	\$31.11	\$29.88	\$35.74	\$67.57	\$80.50	\$85.62	\$98.55	\$71.33	\$47.92	\$28.80	\$34.84
Your GAS Charge	\$72.68	\$235.66	\$178.68	\$165.71	\$132.18	\$97.19	\$53.08	\$34.99	\$30.40	\$32.32	\$40.28	\$65.41	\$105.88
Other Transactions	\$0.00	\$0.00	\$-92.97	\$0.00	\$-54.62	\$0.00	\$0.00	\$0.00	\$-9.53	\$0.00	\$0.00	\$0.00	\$0.00
Charges This Month	\$103.43	\$278.97	\$116.82	\$195.59	\$113.30	\$164.76	\$133.58	\$120.61	\$119.42	\$103.65	\$88.20	\$94.21	\$140.72
Utility Allowance*	\$186.00	\$186.00	\$186.00	\$186.00	\$186.00	\$272.80	\$186.00	\$186.00	\$192.20	\$186.00	\$186.00	\$186.00	\$186.00
New Balance	\$0.00	\$92.97	\$23.79	\$33.38	\$-39.32	\$-147.36	\$-199.78	\$-265.17	\$-337.95	\$-420.30	\$-518.10	\$0.00	\$-45.28
Rebate Issued	\$82.57	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$609.89	\$0.00



Resident Billing Service

Minol Direct

- Resident Access
- 24/7 Secure Access



ndate Der	conal Info		unts.	Day Nom	FAO Contac	t lie i Log Off	6/5	5/2012 2:53:52
Juace Pers	sonai inio	r change r		Section 1997	1234-123-123456		0/5	72012 2.33.32
Dohato	Opt In/Out F	orm 1						
			Duni	N	COMMUNITY			
Name: JC	DHN SMITH	1	Proj	ect Name:	COMMUNITY	Bldg: G	WIN Unit: 00010	0
BASE NAM ADDRESS	ldress: IE - NEIGHBO	ORHOOD	BASE	ice Addre: NAME - NE RESS	ss: Eighborhood			
	Start Date:	06/03/11	200	ount End D	ate:	Current	Balance: \$ 0.0	10
				Record	d (115) of 36	sorted by doc	date desc	Page 1 Of 3
Bill Image/ Tran Type	Tran. Date	Due Date	Beg. Cycle	Record End. Cycle	d (115) of 36 Description	Original Amount	Tran. Balance	
Image/				End.		Original	Tran.	
Image/ Tran Type	Date	Date		End.	Description Utility	Original Amount	Tran. Balance	Refernce Nu
Image/ Tran Type	Date 05/09/12	Date 05/10/12		End.	Description Utility Allowance	Original Amount (\$ 159.00)	Tran. Balance (\$ 159.00)	Reference Nu 0047272811 0047272622
Image/ Tran Type CM	05/09/12 05/09/12	05/10/12 05/10/12	Cycle	End. Cycle	Description Utility Allowance Rebate Paid	Original Amount (\$ 159.00) \$ 108.69	Tran. Balance (\$ 159.00) \$ 108.69	Reference Nu
Image/ Tran Type CM	05/09/12 05/09/12 05/09/12	05/10/12 05/10/12 05/30/12	04/01/12	End. Cycle 05/01/12	Description Utility Allowance Rebate Paid GAS	Original Amount (\$ 159.00) \$ 108.69 \$ 14.14	Tran. Balance (\$ 159.00) \$ 108.69 \$ 14.14	Reference Nui 0047272811 0047272622 0047272462
Image/ Tran Type CM DM	05/09/12 05/09/12 05/09/12 05/09/12	05/10/12 05/10/12 05/10/12 05/30/12	04/01/12	End. Cycle 05/01/12	Description Utility Allowance Rebate Paid GAS ELECTRICITY Utility	Original Amount (\$ 159.00) \$ 108.69 \$ 14.14 \$ 36.17	Tran. Balance (\$ 159.00) \$ 108.69 \$ 14.14 \$ 36.17	0047272622 0047272462 0047272333

Minol Resident Call Cen

Monday-Friday

 $T_{\alpha \alpha m}$

- 7 am 7 pm CST
- Agents Have an Average of 12 Years
 - **Customer Service Experience**
- Multi-lingual Resident Relations



Minol Direct™

Resident Access

- View or Reprint Statement
- View all charges & payments at a glance
- Pay Online
- Update account information





Billing Service

Payment Options

- Mail in payment
- Online Banking
- Pay by Credit Card
- Pay by E-Check

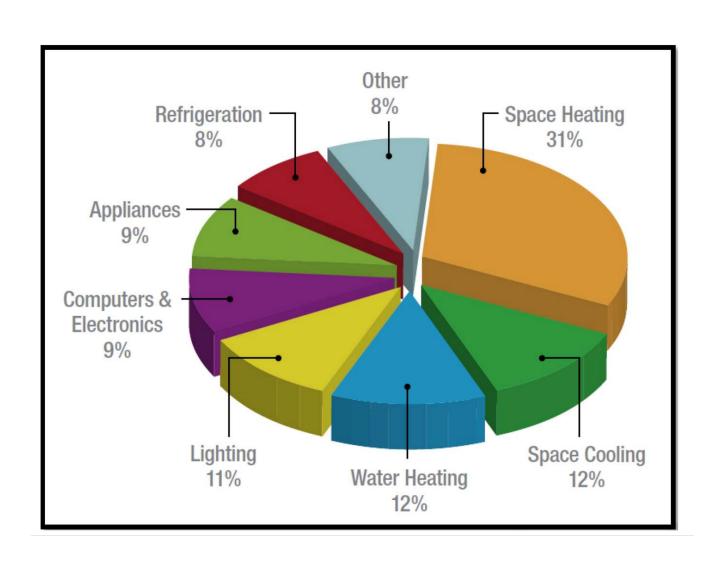
Rebate Opt Out/Opt In

- Applies Refunds to account
- 12 Month Period
- Reconciled Opt In or at Move
 Out





Energy Use in the Home





Vampire Electricity

A large number of electrical products—TVs, microwave ovens, computers, monitors, and phone chargers —cannot be switched off completely without being unplugged.

These products draw power 24 hours a day, often without the knowledge of the consumer. We call this power consumption "standby power."

A typical American home has forty products constantly drawing power. Together these amount to almost 10% to 20% of residential electricity use.

Vampire Electric is estimated to cost US consumers \$3 billion a year.

Useful Links

- 2013 Basic Allowance for Housing Component Breakdown:
 - http://www.defensetravel.do d.mil/Docs/perdiem/browse/A llowances/BAH/Component_Bre akdown/2013-BAH-Rate-Compon ent-Breakdown.pdf.
- MCB CAMPEN Family
 Housing RECP Information
 Site
 - http://www.pendleton.marine s.mil/Family/FamilyHousing/ ResidentEnergyConservationP rogram.aspx

- PAO published articles and information
 - http://www.pendleton.marines .mil/Family/FamilyHousing/Re sidentEnergyConservationProg ram.aspx